

**INDEPENDENT AUDITOR'S REPORT**

**Lawton Metropolitan Planning Organization  
A Component-unit of the City of Lawton**

**JUNE 30, 2013**

BY



**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**For Year Ended June 30, 2013**

**Table of Contents**

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT .....</b>	<b>1-2</b>
 <b><u>FINANCIAL STATEMENTS</u></b>	
Statement of Net Assets .....	3
Statement of Revenue, Expenditures and Changes in Net Assets .....	4
Statement of Cash Flow.....	5
Notes to Financial Statements .....	6-9
 <b><u>REQUIRED SUPPLEMENTAL INFORMATION</u></b>	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u> .....	10-11
Schedule of Findings & Responses.....	12
Independent Auditor's Report on Compliance with Requirements That Could Have a Direct and Material Effect on each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 .....	13
 <b><u>SUPPLEMENTAL INFORMATION</u></b>	
Revenue and Expenses Budget versus Actual .....	14-16



---

## INDEPENDENT AUDITOR'S REPORT

Lawton Metropolitan Planning Organization  
Lawton, Oklahoma

We have audited the accompanying Statement of Net Assets of Lawton Metropolitan Planning Organization, a component unit of the City of Lawton, as of June 30, 2013 and the related Statements of Revenues, Expenses and Changes in Net Assets, and Cash Flows for the year then ended.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lawton Metropolitan Planning Organization as of June 30, 2013, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

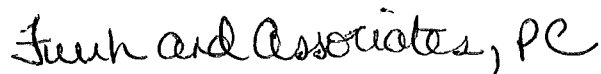
## Other Matters

### *Required Supplementary Information*

The Organization has not presented the Management's Discussion and Analysis required by the Governmental Accounting Standards Board (GASB) that the GASB has determined is necessary to supplement, although not required to be part of, the basic financial statements.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2014, on our consideration of the Organization's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Organization's internal control over financial reporting and compliance.



FURRH & ASSOCIATES, PC

Certified Public Accountants

January 21, 2014

**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**Statement of Net Assets**  
As of June 30, 2013

**ASSETS**

**Current Assets**

Cash	\$ 59,924	
Accounts Receivable	<u>84,987</u>	
Total Current Assets		<u>\$ 144,911</u>
 Total Assets		 <u><u>\$ 144,911</u></u>

**LIABILITIES AND NET ASSETS**

**Current Liabilities**

Accounts Payable	<u>\$ 53,710</u>	
Total Current Liabilities		\$ 53,710

**Net Assets**

Unrestricted		<u>91,201</u>
 Total Liabilities and Net Assets		 <u><u>\$ 144,911</u></u>

Please see accompanying notes to the financial statements.

**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**Statement of Revenues, Expenditures, and Changes in Net Assets**  
**For the Year Ended June 30, 2013**

**Operating Revenues**

ODOT Contract Income	\$ 137,503	
Total Operating Revenues		\$ 137,503

**Operating Expenses**

Reimbursement to City of Lawton	53,616	
Advertising	41,848	
C.H. Guernsey Provided Expenses	19,988	
Supplies	2,916	
Audit Expense	2,500	
Equipment Expense	1,629	
Website	630	
Publication Expense	256	
Travel Expense	121	
Postage Expense	24	
Total Operating Expenses		123,528
Operating Profit / (Loss)		13,975

**Non - Operating Revenues**

Interest Income	117	
Total Non - Operating Revenues		117
<u>Change in Net Assets</u>		14,092
Net Assets at beginning of the year		77,109
Net Assets at end of the year		\$ 91,201

Please see accompanying notes to the financial statements.

**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**Statement of Cash Flow**  
**For the Year Ended June 30, 2013**

**Cash Flows from Operating Activities**

Revenue from ODOT	\$ 125,871
Cash paid for Contract Required Expenses	(69,912)
Cash reimbursed to City of Lawton	<u>(51,901)</u>
Net Cash Provided (Used) by Operating Activities	4,058

**Cash Flows from Investing Activities**

Interest Income	<u>117</u>
Net Cash Provided (Used) by Investing Activities	<u>117</u>

Net Increase (Decrease) in Cash and Cash Equivalents	4,175
--	-------

Cash and Cash Equivalents - June 30, 2012	<u>55,749</u>
---	---------------

Cash and Cash Equivalents - June 30, 2013	<u><u>\$ 59,924</u></u>
---	-------------------------

**Reconciliation of Operating Income to Net Cash Provided by Operating Activities**

Operating Income (Loss)	\$ 13,975
Adjustments to Reconcile Operating Income to Cash Provided by Operating Activities	
Increase in Accounts Receivable	(11,632)
Increase in Accounts Payable	<u>1,715</u>
Net Cash Provided by Operating Activities	<u><u>\$ 4,058</u></u>

Please see accompanying notes to the financial statements.

**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**Notes to the Financial Statements**  
**June 30, 2013**

**Note 1 – Organization**

The Lawton Metropolitan Planning Organization (LMPO) is a federally designated Metropolitan Planning Organization for the Lawton Urbanized Area, as defined by the 2000 U.S. Census. It was established by the Federal Highway Act of 1962 to assure that a continuing, cooperative, and comprehensive transportation planning process takes place that results in the development of plans, programs, and projects that consider all transportation modes and supports the goals of the community.

The LMPO membership represents the eight wards within the City. The planning and program management functions are administered and implemented by the City of Lawton's Planning Division, which provides staff, technical and clerical support, and is also designated as the LMPO Secretary.

**Note 2 – Summary of Significant Accounting Policies**

This report is prepared in conformity with US Generally Accepted Accounting Principles (GAAP) and the provisions of the Government Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements for State and Local Governments*. GASB Statement No. 34 establishes standards for external financial reporting for all state and local governmental entities, which include a Statement of Net Assets, a Statement of Revenues, Expenses, and Changes in Net Assets, and a Statement of Cash Flows.

Basis of Accounting – LMPO is considered a propriety component-unit of the City of Lawton. The financial statements have been prepared on the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

Government-wide Financial Statements – The adopted GASB Statements require that the overall financial condition of LMPO be displayed in three entity-wide financial statements. These are Statement of Net Assets, a Statement of Revenues, Expenses, and Changes in Net Assets, and a Statement of Cash Flows. These include all of the financial activity of LMPO.

GASB Statement No. 20 Election – Pursuant to the election option made available by GASB Statement No. 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*, pronouncements of the Financial Accounting Services Board (FASB) issued after November 30, 1989, are not applied in the preparation of these statements.

GASB Statement No. 34 requires that the Statement of Net Assets classify net assets into three components: invested in capital assets, net of related debt; restricted; and unrestricted. These classifications are defined as follows:



**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**Notes to the Financial Statements**  
**June 30, 2013**

Invested in Capital Assets, Net of Related Debt – This component of net assets consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of debt attributable to the unspent proceeds are not included in the calculation of investment in capital assets, net of related debt. Rather, that portion of the debt is included in the net assets component as the unspent proceeds.

Restricted Net Assets– This component of net assets consists of constraints placed on net asset use through external restrictions imposed by creditors (such as through debt covenants) grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provision or enabling legislation.

Unrestricted Net Assets– This component of net assets consists of those net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

Cash and Cash Equivalents – LMPO considers cash on hand, demand deposits, and interest bearing accounts, as cash equivalents.

Inventories – Costs of supplies and materials are recorded as expenses at time the items are purchased.

Investments – All investments are recorded at fair value.

Use of Estimates – Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of the assets, liabilities, and net assets, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Operating and Nonoperating Revenue and Expenses – The propriety fund financial statements distinguish operating revenue from Nonoperating items. Operating revenues and expenses are those results from providing services associated with the principal activities of the respective fund. Nonoperating revenues and expenses are all of those that do not meet the criteria previously described.

Statement of Cash Flows – In accordance with FASB Statement No. 95, *Statement of Cash Flows*, as amended by FASB Statement No. 117, the accompanying financial statements include a Statement of Cash Flows which is presented using both the direct and indirect methods.

**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**Notes to the Financial Statements**  
**June 30, 2013**

Income Tax Status – LMPO qualifies as an organization exempt from income taxes. As a government instrumentality, no provision has been made for federal or state income taxes.

**Note 3 – Deposits and Deposit Risk**

The Lawton Metropolitan Planning Organization is governed by the deposit and investment limitations of state law. The Organization had the following deposits at June 30, 2013 which are reported at fair value:

Type	Carrying Value
Demand Deposits	\$ 59,924
Time Deposits	0
Investments	0
Total Deposits & Investments	<u>\$59,924</u>

The Authority's cash, deposits, and investments are classified in the following categories:

- A. Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- B. Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- C. Uncollateralized.

	A	B	C	Total
Checking Account	<u>\$ 59,924</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 59,924</u>

LMPO does not have an investment policy that limits its investment choices other than the limitation of state law as follows:

- A. Direct obligations of the US Government, its agencies, and instrumentalities to which the full faith and credit of the US Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.

**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
(an Oklahoma Public Trust)  
**Notes to the Financial Statements**  
**June 30, 2013**

- B. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.

LMPO also not place a limit on the amount it may invest in any one issuer.

**Note 4 – Accounts Receivable**

LMPO receives its funding from the Oklahoma Department of Transportation through two contracts.

These contracts provide for reimbursement of 80% of auditable costs as submitted by LMPO on a monthly basis. The City of Lawton is responsible for 20% of the costs.

As of June 30, 2013, Oklahoma Department of Transportation owed LMPO the following:

<u>Contract</u>	<u>Amount</u>
FHWA PL Funds	\$ 16,985
FTA 5303 Funds	19,542
CMAQ Project	<u>48,460</u>
Total Accts. Rec.	<u>\$ 84,987</u>

**Note 5 – Accounts Payable**

The City of Lawton and the Lawton Metropolitan Planning Organization have signed a Memorandum of Understanding to outline the responsibilities of each party in relation to the contracts that LMPO have entered into with Oklahoma Department of Transportation.

These Memorandums provide the guidelines for the City of Lawton's reimbursement. LMPO has 30 days to reimburse the City once they have received funds from Oklahoma Department of Transportation.

As of June 30, 2013, LMPO owed the City of Lawton \$ 53,710.

**Note 6 – Commitments and Contingencies**

The Organization receives its resources primarily from the State of Oklahoma and the Federal Government. Consequentially, the Authority's ability to operate as a going concern is dependent on the economic conditions of this area.

---

---

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON  
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE  
WITH *GOVERNMENT AUDITING STANDARDS***

Lawton Metropolitan Planning Organization  
Lawton, Oklahoma

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the activities of the Lawton Metropolitan Planning Organization (the Organization), as of and for the year ended June 30, 2013, which collectively comprise the Organization's basic financial statements and have issued our report thereon dated January 21, 2014.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Organization's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify certain

deficiencies in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be significant deficiencies. Finding 2013-1.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Organization's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Organization's Response to Findings**

Lawton Metropolitan Planning Organization's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Organization's response was not subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



FURRH & ASSOCIATES, PC

Certified Public Accountants

January 21, 2014

**Lawton Metropolitan Planning Organization  
Schedule of Findings and Responses  
Year Ended June 30, 2013**

**Reportable Conditions of Internal Control, Compliance and Other Matters**

- 12-1. Criteria – According to Section 11 – Financing of Amendment No. 1 to the Memorandum of Understanding between Lawton Metropolitan Planning Organization (LMPO) and the City of Lawton, LMPO agrees to reimburse City of Lawton...within 90 days after receipt by the LMPO of the monthly claims funds from the Oklahoma Department of Transportation.

Condition – The Organization does not have a regular schedule for reimbursement.

Cause and Effect – Due to inconsistency in the reimbursements, LMPO failed to reimburse City of Lawton for invoices dating back to July 2012.

Recommendation – LMPO reimburses City of Lawton as outlined in Amendment No. 1 to the Memorandum of Understanding between Lawton Metropolitan Planning Organization (LMPO) and the City of Lawton.

Management response – The MPO uses funds to pay for projects and is then reimbursed through the grant payments. The MPO subtracts expenses from the grant payments and reimburses the City the remainder of payments. In FY 2013 there were ongoing contracts, and funds had to be available to the MPO, so payments to the City were delayed. In FY 2014, again there were several contracts so therefore the MOU for FY 2014 was modified to state reimbursement to the City would be made within 90 days of the end of the fiscal year. This will help ensure funds are available for payment of the contracts by the MPO.

- 13-1. Criteria – Fiscal responsibility.

Condition – LMPO does not deposit ODOT checks on a timely basis. Deposits into the bank account occur anywhere from a week to 2 months after receipt from ODOT.

Cause and Effect – Due infrequency of the deposits, claim checks can be lost.

Recommendation – Adopt a policy to ensure that checks are deposited at least weekly.

Management response – At times there are questions concerning the claims and/or the amount of the check. An adjustment by ODOT on the PL claim will affect the 5303 claim. The PL and the 5303 claims are reviewed by separate divisions within ODOT and they don't know an adjustment is being made. Staff waits until the questions are answered before depositing the check. Usually, ODOT will tell us to deposit the check and make the adjustment on the next month's claim.

We have just opened a new checking account for the new MPO and are working with ODOT to have all checks deposited directly into the new account. Any required adjustments will be handled in the next month's claim.



---

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT  
ON EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE  
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Lawton Metropolitan Planning Organization  
Lawton, OK

We have audited the compliance of Lawton Metropolitan Planning Organization (the Organization) with the types of compliance requirements described in OMB's Circular A-133 that could have a direct and material effect on the Organization's major federal programs for the year ended June 30, 2013. Compliance with requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Organization's management. Our responsibility is to express an opinion on the Organization's compliance based upon our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred.

An audit includes examining, on a test basis, evidence about the Organization's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Organization's compliance with those requirements. The results of our tests disclosed no instances of noncompliance that are required to be reported herein under the OMB Circular A-133.

This report is intended solely for the information and use of the Organization's management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

*Furrh and Associates, PC*

FURRH & ASSOCIATES, PC

Certified Public Accountants

January 21, 2014

# Lawton Metropolitan Planning Organization

## A Component-unit of the City of Lawton

(an Oklahoma Public Trust)

### Lawton Metropolitan Area Transportation Study Contract

CFDA Number: 20.205 (Highway Planning and Construction)

#### Revenue and Expenses Budget vs. Actual

For the Year Ending June 30, 2013

	<u>Budget</u>	<u>Current Year</u>	<u>(Over) Under Budget</u>
<b><u>Revenue</u></b>			
State Grant	\$ 119,509	\$ 33,921	\$ 85,588
<b><u>Expenses</u></b>			
Program Support & Admin	35,218	14,640	20,578
Data Collection and Info	29,678	1,538	28,140
Short Range Transit	25,538	7,434	18,104
LRTP	18,466	4,088	14,378
Public Participation	9,610	5,575	4,035
TIP	999	646	353
Total Expenses	<u>119,509</u>	<u>33,921</u>	<u>85,588</u>
Revenue Over (Under) Expenses	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

FHWA PL Funds: Project No. PL Job Piece No.: 11769 (26)

Please see accompanying notes to the financial statements.



# Lawton Metropolitan Planning Organization

## A Component-unit of the City of Lawton

(an Oklahoma Public Trust)

### Lawton Metropolitan Area Transportation Study Contract

CFDA Number: 20.205 (Highway Planning and Construction)

#### Revenue and Expenses Budget vs. Actual

For the Year Ending June 30, 2013

	<u>Budget</u>	<u>Current Year</u>	<u>(Over) Under Budget</u>
<b><u>Revenue</u></b>			
State Grant	\$ 83,998	\$ 23,085	\$ 60,913
<b><u>Expenses</u></b>			
Short Range Transit	65,385	17,546	47,839
Program Support & Admin	6,129	3,062	3,067
Gen. Develop. & Comp Planning	6,090	322	5,768
Long Range Transit	3,741	855	2,886
Other Activities	2,403	1,165	1,238
TIP	250	135	115
Total Expenses	<u>83,998</u>	<u>23,085</u>	<u>60,913</u>
Revenue Over (Under) Expenses	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

FTA 5303 Funds: Project No. PL Job Piece No.: 15612 (20)

Please see accompanying notes to the financial statements.

**Lawton Metropolitan Planning Organization**  
**A Component-unit of the City of Lawton**  
 (an Oklahoma Public Trust)  
**Congestion Mitigation-Air Quality Projects**

**Revenue and Expenses Budget vs. Actual**  
**For the Year Ending June 30, 2013**

	<u>Budget</u>	<u>Current Year</u>	<u>(Over) Under Budget</u>
<b><u>Revenue</u></b>			
State Grant	\$ 150,000	\$ 68,004	\$ 81,996
<b><u>Expenses</u></b>			
Contract Activities	<u>150,000</u>	<u>68,004</u>	<u>81,996</u>
Total Expenses	<u>150,000</u>	<u>68,004</u>	<u>81,996</u>
Revenue Over (Under) Expenses	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 0</u></u>

JP No. 18903 (14)

Please see accompanying notes to the financial statements.